



General Assembly

January Session, 2013

Amendment

LCO No. 8521

SB0085408521SD0

Offered by:

SEN. SLOSSBERG, 14th Dist.

REP. ABERCROMBIE, 83rd Dist.

REP. WOOD, 141st Dist.

SEN. MARKLEY, 16th Dist.

To: Subst. Senate Bill No. 854

File No. 783

Cal. No. 550

"AN ACT CONCERNING SOCIAL INNOVATION INVESTMENT."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 4-68aa of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective July 1, 2014*):

5 (a) As used in this section:

6 (1) "Savings" means a reduction in state expenditures, as such
7 expenditures are defined in an outcome-based performance contract;

8 [(1)] (2) "Secretary" means the Secretary of the Office of Policy and
9 Management, or the secretary's designee;

10 [(2)] (3) "Social innovation investment enterprise" means an entity
11 created to coordinate the delivery of preventive social programs by

12 nonprofit service providers, which has the capability of creating a
13 social investment vehicle, entering into outcome-based performance
14 contracts and contracting with service providers;

15 [(3)] (4) "Social investment vehicle" means an investment product
16 established by a social innovation investment enterprise to raise
17 private investment capital; and

18 [(4)] (5) "Outcome-based performance contract" means a contract
19 entered into between the secretary and a social innovation investment
20 enterprise that establishes outcome-based performance standards for
21 preventive social programs delivered by nonprofit service providers
22 and provides that investors in any social investment vehicle shall
23 receive a return of their investment and earnings thereon only if
24 outcome-based performance standards are met by the social
25 innovation investment enterprise.

26 (b) The secretary may enter into [an] outcome-based performance
27 [contract] contracts with a social innovation investment enterprise for
28 the purpose of [accepting a United States Department of Justice fiscal
29 year 2012 Second Chance Act Adult Offender Reentry Program
30 Demonstration Category 2 Implementation grant. The outcome-based
31 performance contract between the secretary and a social innovation
32 investment enterprise may provide for payments from the social
33 innovation account, established pursuant to subsection (d) of this
34 section, to the social innovation investment enterprise or to investors
35 or to both] (1) an adult offender reentry program; (2) initiatives
36 designed to prevent and end homelessness; (3) a preventative health
37 care program that reduces costs and improves health outcomes; and
38 (4) a child well-being early intervention and prevention program. The
39 outcome-based performance contract shall be based on a written
40 proposal deemed sufficient by the secretary that demonstrates savings
41 will be generated by the social innovation investment enterprise
42 through the accelerated delivery of preventive social programs within
43 the state.

44 (c) Any outcome-based performance contract entered into by the
45 secretary, pursuant to the provisions of this section, shall include, but
46 not be limited to, requirements that: (1) Payment be conditioned on the
47 achievement of specific, quantifiable outcomes based on defined
48 performance benchmarks; (2) an independent evaluator shall
49 determine whether the performance benchmarks have been achieved;
50 and (3) a fiscal analysis be completed by the secretary as to projected
51 savings in specific governmental service areas related to achievement
52 of specific, quantifiable performance benchmarks.

53 (d) After entering into an outcome-based performance contract with
54 a social innovation investment enterprise, the secretary shall present
55 the terms and conditions of the contract, along with an executed
56 summary of the agreement, to the joint standing committees of the
57 General Assembly having cognizance of matters relating to human
58 services and appropriations and the budgets of state agencies so that
59 said committees are fully apprised of (1) the social innovation
60 investment for which the contract is being entered into, (2) the
61 performance measures being used, and (3) the future financial
62 implications particularly as they pertain to out-year appropriations
63 necessary to fund the social innovation account established under this
64 act. Thereafter, for each outcome-based performance contract entered
65 into pursuant to this section, the secretary shall report annually during
66 the contract period and within six months after the conclusion of the
67 contract term on the status of such contracts to the joint standing
68 committees of the General Assembly having cognizance of matters
69 relating to appropriations and the budgets of state agencies and
70 human services. Such reports shall include information on (A) the
71 achievement by the nonprofit service provider of specific, quantifiable
72 outcomes based on defined performance benchmarks as determined
73 by an independent evaluator; (B) returns on investment for the social
74 innovation investment enterprise; and (C) fiscal analyses of savings
75 achieved in specific governmental service areas related to the
76 achievement of specific, quantifiable performance benchmarks.

77 [(c)] (e) The secretary shall comply with the provisions of section 4e-
78 16 relating to privatization contracts when entering into an outcome-
79 based performance contract with a social innovation investment
80 enterprise pursuant to this section.

81 [(d)] (f) There is established an account to be known as the "social
82 innovation account" which shall be a separate, nonlapsing account
83 within the General Fund. The account shall contain any moneys
84 required by law to be deposited in the account. Any interest accruing
85 to the account shall be credited to the account. Moneys may be
86 transferred to the account from the General Fund. [Moneys in the
87 account shall be expended by the Secretary of the Office of Policy and
88 Management for the purposes of facilitating the reentry of moderate
89 and high-risk offenders into the community.] Moneys in said account
90 may be used to provide payments to the social innovation enterprise,
91 investors or both in accordance with the terms of an outcome-based
92 performance contract. The secretary may apply for and accept gifts,
93 grants or donations from public or private sources to enable the
94 account to be a source of payments to investors purchasing interests in
95 a social investment vehicle."

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2014	4-68aa